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OFFICE OF SECRETARY
RULEMAKINGS AND
ADJUDICATIONS STAFF

Good morning,

I think the decommissioning plans and financial assurance sections as they are currently presented in the regulations are FAR more complicated than they need to be.

I suggest that decommissioning planning and funding should be in its own separate Chapter (10CFR45 for example). This would simplify the regulations by putting all of this material in one place instead of spread through four chapters.

This would also provide the ability to put Appendix A, C, D, and E into the chapter instead of sticking the information at the end.

I think the statements/requirements could be simplified by specifically listing the requirements instead of burying them in complicated prose.

I know that you will probably NOT like this suggestion, particularly since NUREG-1757 is now issued which, I am sure, refers to a lot of these chapters and verses. However, anytime a book to aid the understanding of regulations (NUREG) exceeds 800 pages, there is something wrong with NRC's process.

I wrote parts of 10CFR45 to show the structure of the chapter. I would be happy to work on, or chair, a committee to re-write these requirements into something that can be read by radiation safety professionals. However, I do not feel I have the time to write the whole thing unless there is an inclination by the NRC to make use of the work.

Thank you for allowing me a chance to vent my frustration. These are not my or my boss's official opinions.

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The Plain-language version of the Decommissioning rules.

Replace current 10CFR30.35, 10CFR 40.36, and 10CFR70.25 with

Template = SECY-067

SECY-02

In order to ensure the safe and efficient disposal of radioactive material and to ensure the proper closure of operations, licensees must comply with the applicable portions of 10CFR45 Decommissioning.

Add
10CFR45 Decommissioning.

45.1 Scope

This part prescribes rules applicable to the decommissioning of facilities using radioactive material licensed under parts 30, 32, 33, 34, 35, 36, 39, 40, and 70. (whatever)

It is expected that each complexity of each decommissioning cost estimate will be commensurate with the particular situation of the institution.

If the institution holds more than one license not requiring a funding plan, the institution must still submit a plan of the sum of analysis limits of all licenses indicates that a plan must be made. [Note, this will stop the problem of one company having sixteen licenses each of which falls under the 10^3 limit]

45.2 Resolution of conflict — typical

45.3 Definitions

Analysis limit means the sum of the fractions of possession limits divided by appendix B values. It only applies to items with greater than 120 day half lives.

The analysis limit applies to the sum of radioactive material licensed to the parent institution.

45.4 Requirement for plan

a) Below is a table that tells you if you how much funding for which you must provide assurance. If you don't want to provide assurance for this amount as per 45.6, write your plan in accordance with 45.5

b) You may calculate the amount of assurance needed in lieu of the amounts listed below

Table:

if all half-life less than 120 days	none needed
If analysis limit < 10^3 appendix B	none needed
If analysis limit > 10^4 appendix B	provide funding of \$225,000
If analysis limit > 10^5 appendix B	provide funding of \$1,125,000
If analysis limit > 10^5 appendix B	must have a detailed plan to calculate the amount of money required in accordance with 45.5
etc	

b) If the institution holds more than one license not requiring a funding plan,

Subpart B

45.5 Decommissioning funding plans

- a) Write a plan commensurate with the hazard at your institution. The plan should explicitly state all assumptions that are made as to costs of waste, personnel, waste shipment, and methods of operation.
- b) Update the costs every three years.
- c) Update the costs when there are significant changes in the status of your program.
- d) Provide copies to the NRC at inspections or when requested.

Subpart C

45.6 Decommissioning funding assurance

Provide assurance of cash available for decommissioning using one of the methods that are described below.

- a) Prepayment
- b) A surety method, insurance, or other guarantee method if the institution meets the financial tests of 45.100 [Note: I think this is redundant to the tests in paragraph II of appendices C, D, E.]
 - a) For commercial corporations that issue bonds, a guarantee of funds by the applicant or licensee for decommissioning costs based on a financial test may be used if the guarantee and test are as contained in 45.101 to this part
 - b) For commercial companies that do not issue bonds, a guarantee of funds by the applicant or licensee for decommissioning costs may be used if the guarantee and test are as contained in appendix D to this part
 - c) For nonprofit entities, such as colleges, universities, and nonprofit hospitals, a guarantee of funds by the applicant or licensee may be used if the guarantee and test are as contained in appendix E to this part
- c) An external sinking fund . . .
- d) For Federal, State, or local government licensees . . .

45.100 Was appendix A

An applicant or licensee may provide reasonable assurance of the availability of funds for decommissioning based on obtaining a parent company guarantee that funds will be available for decommissioning costs and on a demonstration that the parent company passes a financial test. This section establishes criteria for passing the financial test and for obtaining the parent company guarantee.

A) The parent company must have:

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| (i) Two of the following three ratios: A ratio of total liabilities to net worth less than 2.0, a ratio of the sum of net income plus depreciation, depletion, and amortization to total liabilities greater than 0.1, and a ratio of current assets to current liabilities greater than 1.5; and | |
|---|--|

(ii) Net working capital and tangible net worth each at least six times the current decommissioning cost estimates for the total of all facilities or parts thereof (or prescribed amount if a certification is used), or, for a power reactor licensee, at least six times the amount of decommissioning funds being assured by a parent company guarantee for the total of all reactor units or parts thereof (Tangible net worth shall be calculated to exclude the net book value of the nuclear unit(s)), and	
(iii) Tangible net worth of at least \$10 million, and	
(iv) Assets located in the United States amounting to at least 90 percent of the total assets or at least six times the current decommissioning cost estimates for the total of all facilities or parts thereof (or prescribed amount if a certification is used), or, for a power reactor licensee, at least six times the amount of decommissioning funds being assured by a parent company guarantee for the total of all reactor units or parts thereof	

Or,

(i) A current rating for its most recent bond issuance of AAA, AA, A, or BBB as issued by Standard and Poor's or AAA, AA, A, or BAA as issued by Moody's, and	
(ii) Tangible net worth each at least six times the current decommissioning cost estimates for the total of all facilities or parts thereof (or prescribed amount if a certification is used), . . . and	
(iii) Tangible net worth of at least \$10 million, and	
(iv) Assets located in the United States amounting to at least 90 percent of the total assets . . .	

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